

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**January 31, 2011**

**INVESTMENT ACTIVITY**

**PURCHASES OR DEPOSITS**

1/3 LAIF Deposit - City	\$ 3,000,000
1/4 LAIF Deposit - City	2,500,000
1/6 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
1/7 General Electric Capital Corp (GECC)	2,000,000
1/12 LAIF Deposit - City	3,000,000
1/19 LAIF Deposit - City	4,000,000
1/24 LAIF Deposit - City	2,000,000
1/28 LAIF Deposit - City	5,000,000
<b>Total</b>	<b>\$ 23,500,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

1/5 LAIF Withdrawal - City	\$ (1,000,000)
1/6 LAIF Withdrawal - City	(2,000,000)
1/7 LAIF Withdrawal - City	(1,000,000)
1/12 Wells Fargo & Co. (WFC) - Maturity	(2,000,000)
1/13 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
1/18 Federal Farm Credit Bank (FFCB) - Maturity	(2,000,000)
1/27 LAIF Withdrawal - City	(1,000,000)
<b>Total</b>	<b>\$ (11,000,000)</b>

**ACTIVITY TOTAL**

**\$ 12,500,000**

**INTEREST REVENUE**

**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 267,782
Amortization	(4,214)
Interest on SBB&T Accounts	170
<b>Total</b>	<b>\$ 263,738</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 6,363</b>
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**TOTAL INTEREST EARNED**

**\$ 270,102**

**CITY OF SANTA BARBARA**  
**Summary of Cash and Investments**  
**January 31, 2011**

**ENDING BALANCE AS OF DECEMBER 31, 2010**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 41,500,000	0.448%	25.55%	1
Certificates of Deposit	2,000,000	1.750%	1.23%	321
Federal Agency Issues - Coupon	104,857,483	2.310%	64.57%	1,084
Corporate/Medium Term Notes	7,994,939	3.787%	4.92%	910
	<u>156,352,422</u>	<u>1.884%</u>	<u>96.27%</u>	<u>778</u>
SB Airport Promissory Note	6,044,793	7.000%	3.72%	6,755
Totals and Averages	<u>\$ 162,397,215</u>	<u>2.075%</u>	<u>100.00%</u>	<u>1,000</u>
SBB&T Money Market Account	4,023,672			
<b>Total Cash and Investments</b>	<b><u>\$ 166,420,887</u></b>			

**NET CASH AND INVESTMENT ACTIVITY FOR JANUARY 2011**      **\$ 12,744,084**

**ENDING BALANCE AS OF JANUARY 31, 2011**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 56,000,000	0.520%	32.02%	1 (1)
Certificates of Deposit	2,000,000	1.750%	1.14%	290
Federal Agency Issues - Coupon	102,854,452	2.223%	58.81%	1,067
Corporate/Medium Term Notes	7,993,756	2.996%	4.57%	1,152
	<u>168,848,208</u>	<u>1.689%</u>	<u>96.54%</u>	<u>708</u>
SB Airport Promissory Note	6,044,793	7.000%	3.46%	6,724
Totals and Averages	<u>\$ 174,893,001</u>	<u>1.873%</u>	<u>100.00%</u>	<u>916</u>
SBB&T Money Market Account	4,271,970			
<b>Total Cash and Investments</b>	<b><u>\$ 179,164,971</u></b>			

Note:

(1) The average life of the LAIF portfolio as of January 31, 2011 is 180 days.

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2011**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.520	0.520	41,000,000.00	41,000,000.00	41,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.520	0.520	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
<b>Subtotal, LAIF</b>							56,000,000.00	56,000,000.00	56,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,003,086.86	2,044,430.00	41,343.14	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	1,960,390.00	(39,610.00)	Callable 10/28/11, then cont.
FEDERAL FARM CREDIT BANK	12/10/10	12/08/14	Aaa	AAA	1.500	1.662	2,000,000.00	1,989,280.73	1,997,270.00	7,989.27	Callable 12/08/11, then cont.
FEDERAL FARM CREDIT BANK	12/15/10	12/15/15	Aaa	AAA	2.480	2.480	2,000,000.00	2,000,000.00	1,994,100.00	(5,900.00)	Callable 12/15/11, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.002	2,000,000.00	2,000,000.00	2,032,210.00	32,210.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,078,630.00	78,630.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,062,540.00	62,540.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,045,160.00	45,160.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,010,050.00	10,050.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,069.30	2,027,310.00	28,240.70	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,969,660.00	(30,340.00)	Callable 05/23/12, then cont.
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,001,566.05	2,035,020.00	33,453.95	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,999,083.95	2,002,980.00	3,896.05	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,750,061.86	1,780,699.00	30,637.14	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,053,920.00	53,920.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	1,992,070.00	(7,930.00)	
FEDERAL HOME LOAN BANK	12/28/10	07/28/14	Aaa	AAA	0.650	1.816	2,000,000.00	2,000,000.00	2,005,030.00	5,030.00	SU 2.05% Callable 07/28/11, once
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	3.733	2,000,000.00	2,000,000.00	2,007,010.00	7,010.00	SU 5%, Callable 06/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,037,064.25	2,111,740.00	74,675.75	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,039,780.00	39,780.00	
FEDERAL HOME LOAN BANK	03/30/10	09/30/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,005,160.00	5,160.00	Callable 03/30/11, once
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,052,850.00	52,850.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,019,810.00	19,810.00	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,997,325.93	2,019,160.00	21,834.07	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,040,650.00	40,650.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,104,643.34	2,176,940.00	72,296.66	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,054,482.98	2,111,740.00	57,257.02	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,001,328.18	2,025,250.00	23,921.82	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2011**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN BANK	07/14/10	07/14/15	Aaa	AAA	2.000	2.336	2,000,000.00	2,000,000.00	2,013,570.00	13,570.00	SU 2.0%-3.5% Call 07/14/11, then qtrly
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,018,100.00	18,100.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,999,813.89	2,008,080.00	8,266.11	Callable 04/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,011,060.00	11,060.00	Callable 05/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,013,540.98	2,052,170.00	38,629.02	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,992,700.00	1,950,040.00	(42,660.00)	Callable 11/23/11, once
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,011,340.00	11,340.00	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,011,500.00	11,500.00	Callable 05/13/11, once
FEDERAL HOME LOAN MTG CORP	12/15/10	12/15/15	Aaa	AAA	2.100	2.100	2,000,000.00	2,000,000.00	1,985,980.00	(14,020.00)	Callable 03/15/11, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,958,019.09	2,011,280.00	53,260.91	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,122.67	1,008,610.00	9,487.33	
FEDERAL HOME LOAN MTG CORP	06/30/10	06/30/15	Aaa	AAA	2.000	2.914	2,000,000.00	2,000,000.00	2,015,660.00	15,660.00	SU 2.0%-4.5%, Call 06/30/11, annually
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,005,990.00	5,990.00	Callable 03/18/11, once
FEDERAL NATL MORTGAGE ASSN	07/07/10	07/07/15	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,009,690.00	9,690.00	Callable 07/07/11, once
FEDERAL NATL MORTGAGE ASSN	05/24/10	06/24/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,009,980.00	9,980.00	Callable 06/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,996,035.00	1,977,600.00	(18,435.00)	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	1,971,330.00	(28,670.00)	Callable 05/17/11, once
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,091.67	1,953,060.00	(46,031.67)	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,002,290.00	2,290.00	Callable 02/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/05/10	08/05/15	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	1,982,910.00	(17,090.00)	Callable 08/05/11, once
FEDERAL NATL MORTGAGE ASSN	09/09/10	09/09/15	Aaa	AAA	1.850	1.871	2,000,000.00	1,998,788.89	1,960,830.00	(37,958.89)	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	12/15/10	12/15/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,981,550.00	(18,450.00)	Callable 06/15/11, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,975,350.00	(24,650.00)	Callable 03/21/11, once
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,960,346.13	1,948,530.00	(11,816.13)	
<b>Subtotal, Federal Agencies</b>							102,700,000.00	102,854,451.75	103,578,059.00	723,607.25	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,992,691.67	1,997,300.00	4,608.33	
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,001,064.45	2,006,060.00	4,995.55	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	1,922,980.00	(77,020.00)	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	1,999,980.00	(20.00)	
<b>Subtotal, Corporate Securities</b>							8,000,000.00	7,993,756.12	7,926,320.00	(67,436.12)	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	6,044,793.28	6,044,793.28	6,044,793.28	0.00	
<b>Subtotal, SBA Note</b>							6,044,793.28	6,044,793.28	6,044,793.28	0.00	
<b>TOTALS</b>							174,744,793.28	174,893,001.15	175,549,172.28	656,171.13	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.